

**DALLAS/FORT WORTH**

**AMERICA'S GLOBAL LOGISTICS CENTER**

**METROPLEX**

*U.S. CENTER OF POPULATION MOVEMENT*



DALLAS/FORT WORTH METROPLEX - DELIVERING THE GOODS

## DALLAS/FORT WORTH METROPLEX

THE GEOGRAPHIC CENTER TODAY. THE POPULATION CENTER TOMORROW.  
MEAN CENTER OF POPULATION FOR THE UNITED STATES: 1800 TO 2000



The Dallas/Fort Worth Metroplex is a 9,000-square-mile urban center located near the geographic heart of the United States, equally accessible to both the East and West Coasts. Within the U.S., 79 markets can be reached overnight from Dallas/Fort Worth by truck or rail. And the Metroplex puts you right in the geographic center of the North American continent's four major business centers: New York, Los Angeles, Toronto and Mexico City.

The population center of the United States - for years located in the northeastern quarter of the nation - is rapidly moving south and west...toward the Dallas/Fort Worth Metroplex.

Dallas/Fort Worth is the fifth largest metro area in the United States with an estimated population of over 6 million. From 2000 to 2005, the Metroplex population grew by 12.7 percent and continues to be one of the fastest growing regions in the U.S. This growth is not expected to slow anytime soon.

According to the Bureau of Labor Statistics, employment in the Dallas/Fort Worth area grew 2.9 percent from 2004 to 2005 for a total of 79,400 new jobs, resulting in the second highest job growth in the United States--This brought D/FW's total non-agricultural labor force to 2,827,000.

*The purpose of the North Texas Commission is to enhance and promote the economic vitality and quality of life of the Dallas/Fort Worth Metroplex; by providing leadership; acting as a catalyst for regional cooperation; identifying regional problems and issues; and helping create solutions for these problems and issues.*

*The North Texas Commission is a non-profit consortium of businesses, cities, counties, chambers of commerce, economic development entities and higher education institutions in the North Texas Region. The Commission is the one and only public-private regional organization committed to enhancing the overall economic vitality and quality of life of North Texas.*

**TABLE OF CONTENTS**



LOGISTICS SUCCESS IN THE DALLAS/FORT WORTH METROPLEX.....PAGE 2

CUTTING YOUR LOGISTICS COSTS.....PAGE 6

ONE OF THE WORLD'S FINEST AIRPORT NETWORKS.....PAGE 8

DALLAS FORT/WORTH METROPLEX: LOGISTICS CENTER OF THE AMERICAS.....PAGE 10

THE LEADER IN INTERNATIONAL LOGISTICS.....PAGE 13

THE DALLAS/FORT WORTH METROPLEX IS READY FOR  
YOUR SUPPLY CHAIN AND LOGISTICS NEEDS.....PAGE 16

DALLAS/FORT WORTH IS A DYNAMIC BUSINESS CENTER.....PAGE 20

DALLAS/FORT WORTH HIGH TECH INDUSTRY.....PAGE 21

THE LARGEST SUPPLY CHAIN, ENGINEERING, AND LOGISTICS  
EDUCATION CENTER IN THE SOUTHWEST.....PAGE 22

NOT JUST AN OUTSTANDING SUPPLY CHAIN AND LOGISTICS  
CENTER, BUT A GREAT PLACE TO LIVE.....PAGE 24

**LOGISTICS SUCCESS IN THE  
DALLAS/FORT WORTH METROPLEX**



**NOW MORE THAN EVER, DALLAS/FORT WORTH IS CENTRAL TO YOUR SUPPLY CHAIN AND LOGISTICS SUCCESS**

Now more than ever, logistics capabilities make the difference between success and failure in today's fast-moving, highly competitive business environment. The ability to deliver the right product in the right amount at the right time is absolutely critical to the success of any company. Choosing a site for a major logistics operation is a decision that will have a direct effect on a corporation's competitive capability for years to come. It is estimated that today's logistics costs represent a large percentage of the average manufacturing company's overhead. In the United States, 9.5 percent of the Gross Domestic Product, or \$1.8 trillion dollars, is spent annually on logistics. The importance of logistics to a company today is a given; therefore, the choice of a logistics site is absolutely critical. More and more decision-makers from across the globe have come to understand that the "region of choice" for a logistics operation in the Americas well into the next millennium will be the Dallas/Fort Worth Metroplex.

The D/FW Metroplex provides excellent access and speed to major markets--not just in the United States, but throughout North, Central and South America, and Asia. Nationally, the region has one of the finest transportation networks. D/FW offers more competitive distribution costs of any major U.S. logistics center. Texas is also the second largest technology center in the country; and naturally, technology will play an ever increasing part in the future of logistics. And lastly, the D/FW Metroplex is first-class when it comes quality of life.

*The Dallas/Fort Worth Metroplex tops the list as the most logistics friendly metro in the U.S.*

source: Logistics Today, November 2006



*DFW International Airport*

*The Dallas/Fort Worth Metroplex is one of the largest points of distribution and logistics in the United States and has become the premier supply chain and logistics center for the entire Western Hemisphere.*

**LOGISTICS SUCCESS IN THE  
DALLAS/FORT WORTH METROPLEX**



*Dallas*

**THE RIGHT PRODUCT. IN THE RIGHT AMOUNT. AT THE RIGHT TIME.  
IT ALL STARTS WITH THE RIGHT LOCATION...**

D/FW is well positioned to decrease your time to major markets. In fact, it is almost equi-distant to the two largest U.S. population centers, New York and Los Angeles, and within reasonable driving distance of any other major market.

**ESTIMATED DRIVING TIME (AT 60 MPH) FROM D/FW TO REPRESENTATIVE CITIES IS AS FOLLOWS:**

Cities	Hours:Minutes	Cities	Hours:Minutes
Albuquerque, NM	10:48	Memphis, TN	7:30
Atlanta, GA	13:36	Miami, FL	22:36
Austin, TX	3:18	Minneapolis, MN	16:30
Boston, MA	29:24	New Orleans, LA	8:36
Cedar Rapids, IA	14:36	New York, NY	26:00
Charlotte, NC	17:12	Oklahoma City, OK	3:24
Chicago, IL	16:06	Omaha, NE	10:54
Cleveland, OH	19:48	Philadelphia, PA	24:24
Denver, CO	14:36	Phoenix, AZ	17:48
Detroit, MI	19:48	Richmond, VA	21:12
El Paso, TX	10:30	St. Louis, MO	10:30
Houston, TX	4:00	San Antonio, TX	4:36
Indianapolis, IN	15:00	San Francisco, CA	28:48
Kansas City, MO	9:12	Seattle, WA	36:42
Las Vegas, NV	20:24	Tampa, FL	19:12
Los Angeles, CA	24:00	Tulsa, OK	4:18
Louisville, KY	13:54	Washington, DC	22:40
		Wichita, KS	6:00

source: Carrier Depot/Rand McNally



**LOGISTICS SUCCESS IN THE DALLAS/FORT WORTH METROPLEX**

*Fort Worth*

**THE SUN BELT SHINES ON LOGISTICS OPERATIONS**

A location in the heart of the Sun Belt benefits logistics operations. Operating out of the D/FW Metroplex minimizes weather-related delays, increasing operational efficiency. The Metroplex experiences subtropical climate with an average of 235 sunny days each year. The average summer temperature is 85.4 degrees Fahrenheit and the average winter temperature is 44 degrees Fahrenheit, with less than one inch average snowfall annually. The Metroplex's Central Time Zone location makes it more efficient to coordinate business across the United States in a single day.

**SINCE THE PASSAGE OF NAFTA, D/FW HAS BECOME THE HUB OF U.S. DISTRIBUTION TO MEXICO**

According to statistics from the Texas Public Policy Foundation, the Dallas/Fort Worth Metroplex is one of the largest U.S. beneficiaries of the passage of the North American Free Trade Agreement (NAFTA). Since the passage of NAFTA, the D/FW Metroplex's trade to Mexico and Canada has more than doubled to \$2.3 Billion. This is in large part due to the fact that the Metroplex has the logistics infrastructure to serve Mexico and its population of more than 100 million people. Interstate 35 - often called the "NAFTA Superhighway" - is the perfect conduit from Mexico through Texas to Canada. In addition, Mexico City is less than three hours away by air. Also important are the new direct flights from D/FW International Airport to Mexico, Central and South America.

According to the U.S. Chamber of Commerce, U.S. international trade in goods and services has grown from 10.7 percent of GDP in 1970 to 26.9 percent. NAFTA trade grew from 26 percent of total U.S. trade in 1990 to almost 33 percent by the end of the decade. Today, international trade totals over \$2 trillion. By 2007, 58 percent of North American manufacturers will begin, or increase, sourcing from China.

As global trade continues to grow, the D/FW Metroplex provides the location and capabilities to facilitate the efficiency and effectiveness of your increasingly global supply chain.

- ◆ The D/FW Metroplex's mild weather results in distribution operations having a minimum number of weather related delays.
- ◆ Metroplex-based rail lines are aggressively entering the Mexican Market.
- ◆ The Metroplex is located near the geographic center of the North American continent's four major business centers: New York, Los Angeles, Toronto and Mexico City.

<b>Ten Largest Metroplex Cities</b>	
<i>City</i>	<i>Population</i>
Dallas	1,260,950
Fort Worth	661,850
Arlington	363,050
Plano	252,950
Garland	222,400
Irving	201,950
Grand Prairie	156,050
Mesquite	135,900
Carrollton	118,700
McKinney	103,800

source: North Central Texas Council of Governments, 2006

CUTTING YOUR LOGISTICS COSTS



THE BOTTOM LINE IS THIS: **NO OTHER U.S. LOCATION** OFFERS YOU A BETTER OPPORTUNITY TO CUT YOUR LOGISTICS COSTS

The Dallas/Fort Worth Metroplex has the 3rd lowest distribution costs of the top 50 U.S. consumer markets of any major U.S. city.

COST PER SQUARE FOOT OF A WAREHOUSE OPERATION BASED ON 350,000 SQ. FT. AND 150 EMPLOYEES

Louisville	\$9.42
Memphis	\$9.47
D/FW	\$9.70
Indianapolis	\$9.75
Atlanta	\$9.77
Houston	\$10.25
St. Louis	\$10.26
Kansas City	\$10.46
Denver	\$10.77
Miami	\$10.84
Phoenix	\$11.13
Chicago	\$11.75
Los Angeles	\$13.35

source: C.F. Lynch & Associates, 2006

Nationally, Texas had the second lowest per capita tax burden of \$1,434 in 2005.

Low operating costs are central to logistics success. A study conducted by C.F. Lynch & Associates reveals that out of the United States' 24 largest metropolitan areas, the Dallas/Fort Worth Metroplex offers the lowest distribution costs to the top 50 consumer markets.

The D/FW Metroplex logistics costs are lower than Atlanta, Chicago, New York, Seattle or Los Angeles.

D/FW TAXES ARE DESIGNED TO REDUCE YOUR BURDEN

Corporations located in Dallas/Fort Worth pay no corporate state income taxes. In addition, there are no personal state income taxes or city income taxes. Businesses enjoy one of the lowest corporate franchise taxes of all U.S. major metropolitan areas.

According to the U.S. Department of Commerce, Bureau of Economic-Analysis, Texas has one of the nation's lowest total state and local tax burdens. A wide variety of tax-related financial incentives are available to corporations doing business in the D/FW Metroplex including:

- ◆ Tax abatements
- ◆ Enterprise Zones
- ◆ Freeport tax exemptions
- ◆ Foreign Trade Zones



**TEXANS HAVE AN EXCELLENT WORK ETHIC**

Texas is a right-to-work state. Texas workers are widely regarded as among the nation's most productive, with characteristically low turnover and absenteeism.

**REAL ESTATE AVAILABILITY IS HIGH.**

**REAL ESTATE COSTS AREN'T.**

The industrial real estate market in the D/FW area continues to be healthy. According to Colliers International, vacancy rates continue to decline; and positive net absorption exceeded 10 million square feet, the highest level since 2000.

New industrial space under construction at the end of 2005 totaled 6.5 million square feet, 30 percent more than at the end of 2004.

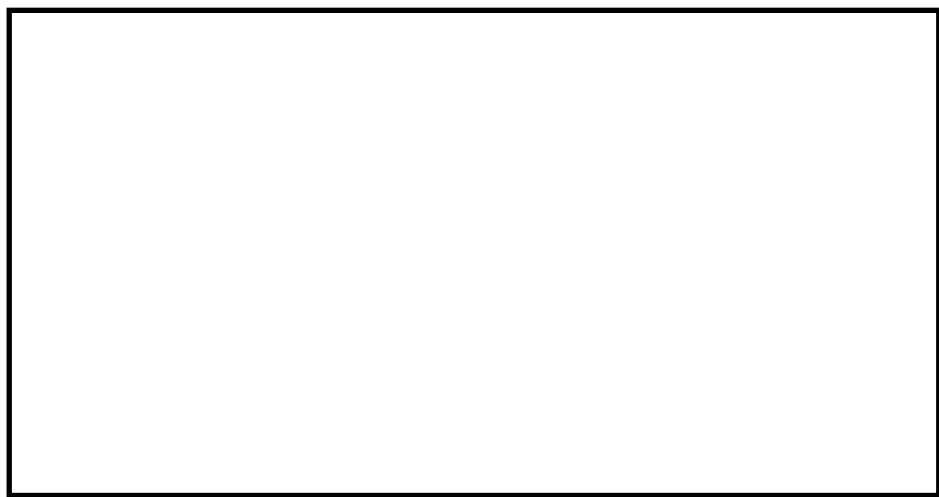
Development activity continues at Fort Worth Alliance Airport and new activity is being observed in the East, D/FW Airport and southern Dallas County where a new major logistics park, the Dallas Logistics Hub (DLH), is being master-planned. D/FW had the third highest industrial acquisition market in 2005. The \$1.9 billion in sales volume represented a 154 percent increase over 2004.

D/FW's land prices are lower than most other logistics centers.

COST OF LIVING INDEX	
U.S. Average = 100	
Metro Area	Composite
Atlanta	97.5
Boston	133.6
Chicago	111.9
Cincinnati	94.0
Cleveland	98.0
<b>Dallas</b>	<b>95.8</b>
Denver	100.4
Detroit	104.1
<b>Fort Worth</b>	91.1
Houston	90.2
Kansas City	95.1
Los Angeles	158.2
Miami	115.4
Minneapolis	*109.3
New York	201.2
Philadelphia	124.0
Phoenix	103.8
Pittsburgh	93.3
Portland	116.7
San Diego	**150.3
San Francisco	170.6
Seattle	116.3
St. Louis	95.6
Tampa	99.5
Washington DC	142.1

\* = not available for current quarter, previously reported QII/04  
 \*\* = not available for current quarter, previously reported QIV/05

source: ACCRA (QI/06), 2006



**ONE OF THE WORLD'S FINEST  
AIRPORT NETWORKS**

**DFW INTERNATIONAL AIRPORT: BY FAR THE WORLD'S BEST**

Based on the annual number of passengers (2006: 59,176,265) DFW International Airport is the third busiest in the U.S. and the sixth busiest in the world. Only Atlanta, Chicago, Los Angeles, London and Tokyo handle more passengers; however, DFW is well ahead of the other competitive logistics centers. DFW International Airport hosts a full complement of U.S. Customs and Border Protection services, and U.S. Export Assistance Center.

In a recent survey conducted by *Air Cargo World*, DFW ranked as "The Best Cargo Airport in the World." DFW International Airport handles sixty percent of all air cargo in Texas. In fact, DFW is the eleventh largest cargo airport in the U.S. with more than 740,000 metric tons of cargo. This is somewhat deceiving, however, in that Memphis and Louisville, ranked 1<sup>st</sup> and 4<sup>th</sup> respectively, are on the list by virtue of the FedEx and UPS hubs. If the total air cargo infrastructure is considered, DFW moves well up the list. The airport has arrangements with motor carriers that allow freight to come in by air and then be forwarded to cities beyond on a single bill of lading at reduced rates.

In 2006, DFW Airport had 702,713 takeoffs and landings, over 59 million total passengers, and continuous non-stop flights to more than 169 destinations, both international and domestic. And let's not forget that DFW International Airport has access to every major city in the continental U.S. within four hours.

*Proximity to DFW International Airport is the leading reason cited for corporate relocation by companies that have moved to the North Texas area since the airport opened in 1974.*

**FLIGHT TIMES TO MAJOR CITIES - (HOURS:MINUTES)**

Cities	Hours:Minutes	Cities	Hours:Minutes
Acapulco	2:14	Monterrey	1:04
Atlanta	1:55	New York	3:15
Calgary	3:40	Paris	9:45
Cancun	2:02	Puerto Vallarta	1:58
Chicago	2:10	San Paulo	10:25
Frankfurt	11:10	San Francisco	3:00
Guadalajara	1:51	Santiago	11:30
Lima	7:50	Seoul	15:40
London	9:00	Tokyo	12:50
Los Angeles	3:10	Toronto	2:55
Mexico City	2:30	Vancouver	4:20
Miami	2:43	Washington, DC	2:45

source: DFW International Airport, 2006

**FORT WORTH ALLIANCE AIRPORT:  
THE NATION'S FIRST MASTER-PLANNED  
INDUSTRIAL AIRPORT**

Fort Worth Alliance Airport was the world's first 100 percent industrial airport. With a main runway of 9,600 feet (soon to be extended to 11,000 feet) a fully loaded and fully fueled aircraft will be able to fly non-stop to the most remote destinations in Europe and Asia. Even now, Asian flights via Anchorage are available.

According to *Air Cargo World*, at 28 percent growth between 2004 and 2005, Fort Worth Alliance Airport is the fastest growing in terms of air cargo in North America and the fifth fastest growing in the world.

The airport has full FAA and ground support. The airport is the anchor for the 17,000-acre, master-planned AllianceTexas development in north Fort Worth, which includes more than 25 million square feet developed, 140 plus companies and more than 24,000 employees.

**DALLAS LOVE FIELD**

Dallas Love Field, a major commercial aviation airport located in the heart of Dallas on 1300 acres of land, offers daily passenger service through Continental, American and Southwest Airlines. The airport generates more than \$2 billion annually to the Dallas economy.

Southwest continues to be the primary carrier at Love Field. Over 5.9 million passengers used Love Field in 2004. It completed 249,400 aircraft operations, consisting of 129,031 commercial and 120,369 general aviation and military. Approximately 24,243 jobs are attributable to Love Field. The airport is a self-supporting entity through reasonable fees and charges with no cost to the taxpayer.

**PASSENGER AIRLINES SERVING  
DFW INTERNATIONAL AIRPORT**

- ◆ Air Canada
- ◆ AirTran Airways
- ◆ Alaska Airlines
- ◆ America West
- ◆ American Airlines
- ◆ American Eagle
- ◆ American Trans Air
- ◆ British Airways
- ◆ Continental
- ◆ Delta Air Lines
- ◆ Frontier Airlines
- ◆ Korean Air
- ◆ Lufthansa
- ◆ Mesa Airlines
- ◆ Mexicana
- ◆ Midwest Airlines
- ◆ Northwest Airlines
- ◆ Spirit Airlines
- ◆ Sun Country
- ◆ TACA Airlines
- ◆ United Airlines
- ◆ US Airways

source: DFW International Airport, 2006

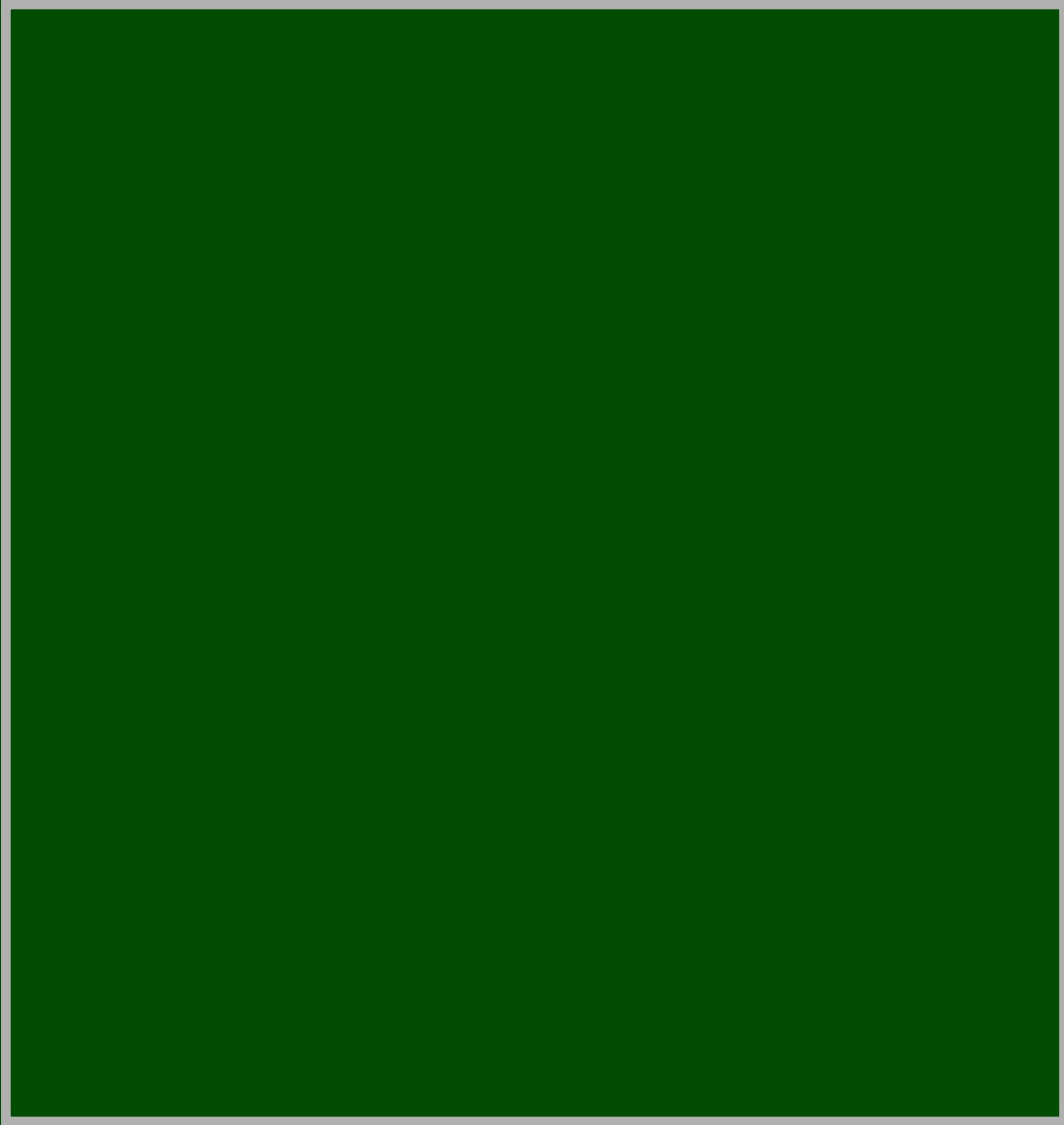
# DALLAS/FORT WORTH METROPLEX

## SELECTED NON-STOP INTERNATIONAL AND DOMESTIC DESTINATIONS FROM DFW AIRPORT

Destination	Daily Flights
Atlanta.....	31
Calgary.....	2
Cancun.....	4
Caracas.....	1
Chicago.....	34
Chihuahua.....	1
Denver.....	28
Frankfurt.....	2
Guadalajara.....	3
Guatemala City.....	1
Houston.....	28
Leon.....	3
London.....	3
Los Angeles.....	39
Los Cabos.....	3
Mexico City.....	7
Miami.....	17
Monterrey.....	5
New York.....	33
Paris.....	1
San Francisco.....	23
San Jose (Costa Rica).....	1
San Paulo.....	1
Santiago.....	1
Seattle.....	12
Tokyo.....	2
Toronto.....	6
Vancouver.....	3
Washington, DC.....	30

source: DFW International Airport, 2006





*BNSF's Railway Intermodal Facility at Alliance*

*A Leading International Logistics Center: The Dallas/Fort Worth Metroplex is the primary truck, rail and air cargo hub in the southwestern United States. More than 600 motor carriers and 100 freight forwarders operate out of D/FW.*



THE LEADER IN INTERNATIONAL LOGISTICS

*DFW International Airport*

WHEN IT COMES TO TRANSPORTATION, THE METROPLEX TAKES A BACK SEAT TO NO ONE

The Dallas/Fort Worth Metroplex is served by three class I railroads: BNSF Railway, Union Pacific (UP) and Kansas City Southern (KCS). Nationally, the 32,400 miles of UP trackage, 32,000 of BNSF and 3,100 of the KCS afford excellent rail access to any rail-served market in the country. With 2,660 miles in Mexico, the KCS offers additional service between Mexican and U.S. cities.

The presence of three class I railroads has made the metroplex a key North American intermodal hub. The Metroplex is becoming increasingly important as an intermodal hub. As imports from Asia continue to accelerate, D/FW is becoming a significant consignee for containers. Traditionally, the major intermodal routes have led to Chicago, but the carriers are finding the Metroplex to be an important destination market, as well as a more efficient and less congested transfer point. With the possible exception of Phoenix, D/FW is the first major logistics center the rails reach after leaving the West Coast ports.

The intermodal facilities in the area are outstanding. At AllianceTexas, the BNSF Railway operates a 735 acre, \$115 million intermodal transportation center. In the region, 250 acres are dedicated to handling carloads on 30 tracks, and a seven-track intermodal yard is located within a 289 acre tract. In addition, there is an adjacent 55-acre automobile distribution facility.

The Alliance intermodal facility has grown from 120,000 lifts in 1994 to over 600,000 in 2006. The railroad has a goal of 1,000,000 annual lifts for this facility - a size currently existing only at major maritime ports.

In addition to its classification yard in Fort Worth and intermodal yard in Mesquite, in late 2005, Union Pacific opened a \$100-million, 360-acre, state-of-the-art intermodal facility at Wilmer/Hutchins, handling 365,000 lifts per year.

The Dallas Logistics Hub (DLH) is the newest logistics park to come online in the Dallas industrial market. This 6,000 acre master-planned logistics park will have the potential for distribution, manufacturing, office and retail development. DLH will be a key component of the NAFTA infrastructure and will also serve as a major "inland port" bringing products from the Ports of L.A./Long Beach and Houston, as well as the western deep water ports in Mexico for regional and national distribution.

Because the new, post-Panamax ships are too large to pass through the Panama Canal, most imports will continue

to move through West Coast ports. The Panama Canal Authority is currently constructing a new set of locks to accommodate the post-Panamax vessels. This would potentially mean more Asian trade reaching the Port of Houston, which would increase the Asian trade passing through the D/FW area, further enhancing the position of the Metroplex as an international hub.

The “North American Free Trade Corridor Coalition” (NAFTA Coalition) and the “River of Trade Corridor Coalition” (ROTCC) help in the promotion of the International Inland Port of Dallas (IIPOD) and the entire DFW Metroplex as the largest distribution hub in North America.

North America’s SuperCorridor Coalition (NASCO) is a non-profit organization dedicated to developing the world’s first international, integrated and secure, multi-modal transportation system along the International Mid-Continent Trade and Transportation Corridor to improve both the trade competitiveness and quality of life in North America. The NASCO Corridor encompasses Interstates 35, 29 and 94, and the significant east/west connectors to those highways in the United States, Canada and Mexico. The Corridor directly impacts the continental trade flow of North America.

Finally, the KCS, through its acquisition of Grupo Transportacion Ferroviaria Mexicana, SA de CV, has the ability to enhance the flow of rail traffic from Mexico into the United States. Utilizing its routes from the ports of Veracruz, Tampico and Lazaro Cardenas, the KCS can offer alternatives to the West Coast ports.

### WHEN IT COMES TO PACKAGES, THE METROPLEX DELIVERS

D/FW is served by FedEx, UPS, DHL and United States Postal Service (USPS). This means that overnight service is available to virtually all cities in the U.S. and ground services are comparable to any other major city.

D/FW is second to none in services by FedEx when compared to other cities (including Memphis, Atlanta, Chicago, Houston and Los Angeles), and, except for Louisville, has competitive times for UPS. DHL has one of the latest pick up times in their system.

For a firm that ships via FedEx and requires longer order fill times, the Metroplex is an excellent location. At both D/FW and Memphis, orders can be picked up until late in the evening and still be delivered by the next morning.

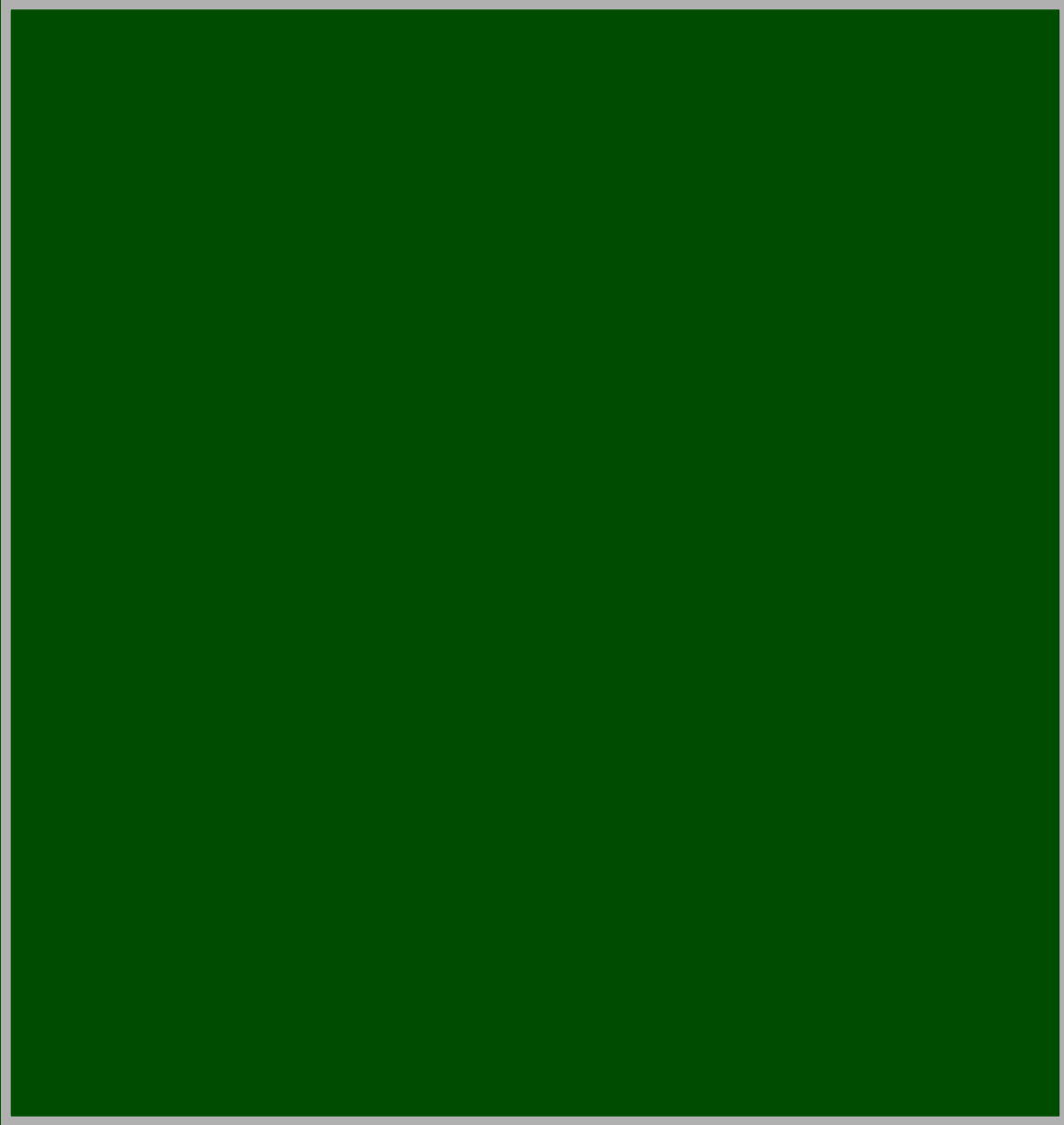
### LIFE IN THE FAST LANE

Compared to most other metropolitan areas, trucks and other vehicles can usually travel quickly and efficiently through the sophisticated highway system of the Dallas/Fort Worth Metroplex. The Metroplex has the highest utilization rate of its High Occupancy Vehicle lanes of any major metropolitan area in the country; as a result, trucks, tractor-trailers and delivery vehicles have fewer delays during rush hours than they would in many major logistics centers. For example, according to the Texas Transportation Institute, the Dallas/Fort Worth area has an average congestion index of 1.11 compared to 1.12 for Houston, 1.24 for Atlanta, 1.34 for Chicago and 1.57 for Los Angeles.

#### REGIONAL FREIGHT TRANSPORTATION SYSTEM

- ◆ 600 motor carriers
- ◆ 100 freight forwarders
- ◆ Operations for three class 1 railroads
  - ◆ BNSF Railway
  - ◆ Kansas City Southern Railroad
  - ◆ Union Pacific Railroad
- ◆ Two major air cargo hubs
- ◆ Multiple Foreign Trade Zones





*BNSF's Railway Intermodal Facility at Alliance*

*With one of the nation's most sophisticated intermodal transportation systems, BNSF Railway's Alliance Intermodal Facility and Carload Transportation Center at Alliance Airport currently lifts 600,000 lifts with a goal of 1,000,000 lifts.*

**THE DALLAS/FORT WORTH METROPLEX  
IS READY FOR YOUR SUPPLY CHAIN AND  
LOGISTICS NEEDS**



THE DALLAS/FORT WORTH METROPLEX OFFERS LOGISTICS OPERATORS A FULL RANGE OF VITAL SUPPORT SERVICES

THE SOURCE FOR OUTSOURCING

The outsourcing or contracting of warehouse and distribution functions is a growing trend in the logistics industry. And the D/FW Metroplex is well-equipped with a wide variety of sophisticated outsourcing resources.

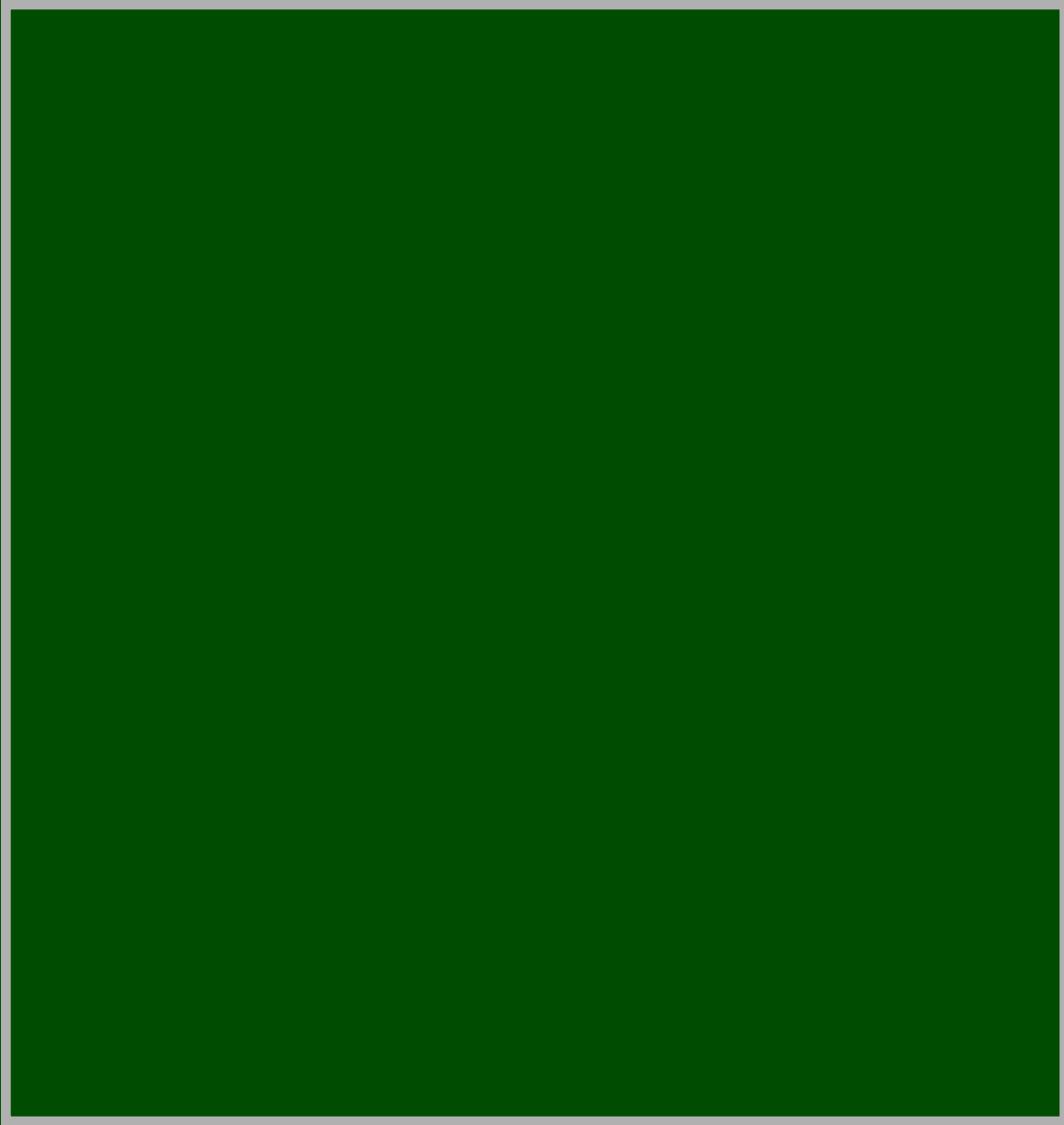
Public warehouse and distribution center operators offer specialized personnel and information systems capable of handling many functions not directly related to a company's core business: from systems support to inventory management to materials handling and distribution. Operators range from single-site warehouses to multi-site, full-service turnkey distribution center operations.

D/FW ALSO HAS PLENTY OF ROOM FOR FREESTANDING LOGISTICS OPERATIONS

Any company wanting to develop its own distribution facility will find ample space in the Metroplex. D/FW's logistics operations offer one of the nation's largest quantities of warehouse space with more than 640 million square feet. Numerous excellent sites for new construction are available through the Metroplex.

DALLAS/FORT WORTH METROPLEX - MORE DECISION FACTORS

- ◆ The D/FW Metroplex has more than 640,198,000 square feet of warehouse space, with 6,002,000 under construction.
- ◆ D/FW has the second lowest price per square foot in the major metropolitan cities.
- ◆ D/FW's two largest Foreign Trade Zones cover more than 9,600 acres.
- ◆ In 2004, Foreign Trade Zones accounted for \$7.4 billion in goods moved in the region.
- ◆ In 2005, more than 250,000 jobs were located in or around freight-oriented development.
- ◆ The Metroplex developed the nation's first computerized Foreign Trade Zone admissions program, significantly cutting customs authorization time.
- ◆ According to the Texas State Comptrollers Office, more than 126 Metroplex taxing entities have adopted the Freeport Amendment, exempting inventory in transit and reducing costs.



*Shippers in Mexico and Central and South America can add days to the shelf life of perishable goods by using the Metroplex as a port of entry and a distribution center.*

**FOREIGN TRADE ZONES MAKE LOGISTICS LESS TAXING**

D/FW-based logistics operations take full advantage of the Metroplex's numerous Foreign Trade Zones, Freeports and Enterprise Zones.

The Metroplex has more than a dozen trade zone sites. These Foreign Trade Zones are federally designated sites where foreign and domestic goods are considered by U.S. Customs and Border Protection to be international commerce. While in these zones, foreign and domestic materials may be stored, manipulated, mixed with other materials, used in assembly or manufacturing processes or exhibited for sale without the payment of costly duty and excise taxes.

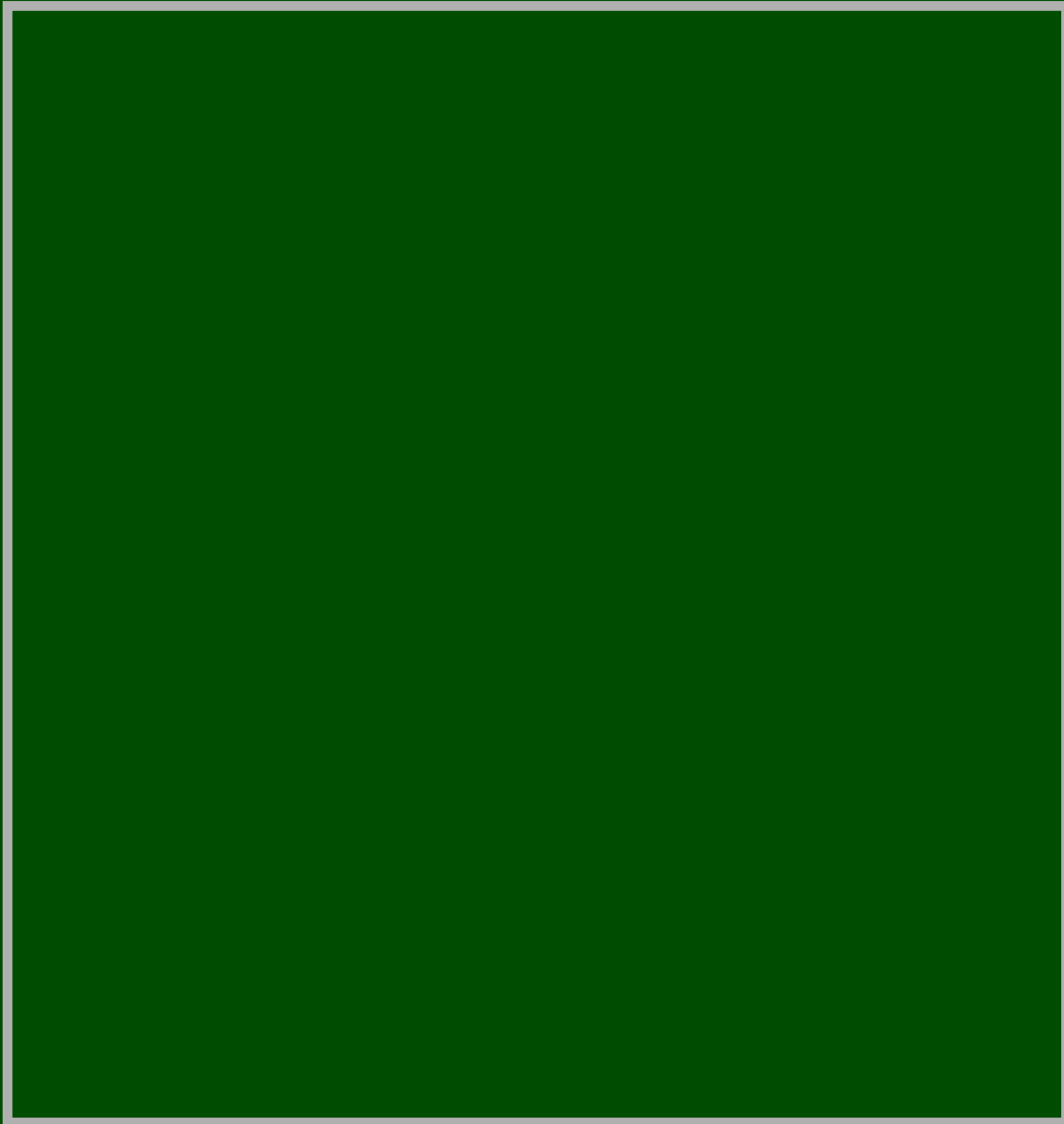
In addition to the Foreign Trade Zones, a number of areas throughout the Metroplex have been designated as Freeports. This designation protects shipments in transit from taxation, reducing the cost of doing business both domestically and internationally. What's more, qualifying businesses can receive Enterprise Zone designation in many areas of the Metroplex.

D/FW OR MIAMI POINT OF ENTRY FOR U.S. DISTRIBUTION OF FOREIGN PRODUCTS MULTI-STATE TRUCK DISTRIBUTION DELIVERY TIMES		
ORIGIN: D/FW or Miami		DESTINATION:
2 Days	3 Days	Louisville
2 Days	3 Days	Chicago
3 Days	6 Days	Los Angeles
2 Days	5 Days	Denver
5 Days	7 Days	Seattle

source: DFW International Airport, 2006

**THE METROPLEX IS A DESIGNATED "MICROBRIDGE"**

Cargo can be loaded from any seaport in the world, taken through the most convenient U.S. port of entry and routed overland by truck or rail to the Metroplex on one through-bill -of-lading. This significantly reduces shipping costs, making the microbridge, through-service, one of the most effective ways to move cargo.



*Union Pacific Dallas Intermodal Terminal Facility*

*The Dallas/Fort Worth Metroplex offers logistics operators a full range of vital support services.*

*In 2004, Foreign Trade Zones accounted for \$7.4 billion in goods moved in the region, and in 2005 more than 250,000 jobs were located in or around freight-oriented development.*

**DALLAS/FORT WORTH  
IS A DYNAMIC BUSINESS CENTER**



*ExxonMobil headquarters in Irving*

North Texas' attractive business climate is known worldwide. This remains one of the reasons that the D/FW Metroplex has become a regular fixture in the upper half of *Fortune's* annual top 10 list of the "Nation's Best Cities for Business" as well as the *Site Selection's* "Top Regions for Relocations/Expansions" for most corporate relocations. That is all because the Metroplex understands, encourages and supports business. Civic and government leaders are committed to quality economic development and have established a pro-business environment.

**THE METROPLEX IS KNOWN FOR THE COMPANY IT KEEPS**

Twenty-two Fortune 500 companies make their corporate headquarters in the Metroplex, which has positioned Texas as the number one state in the nation with the most Fortune 500 companies. Seven Global 500 corporations are also headquartered right here in D/FW, earning \$565 billion in revenues. Since 1980, hundreds of companies have relocated their headquarters to the Metroplex, including Blockbuster, ExxonMobil Corporation, Verizon, Nokia U.S. and JCPenney Company.

**INDUSTRY THRIVES IN THE METROPLEX**

Business and industry are booming in the Metroplex. Since 1995, the Dallas/Fort Worth area economy has created 400,000 new jobs. D/FW, one of the nation's largest financial centers, is home to regional headquarters for the Federal Reserve Bank and the Federal Home Loan Bank.

*Texas Instruments headquarters in Dallas*

**FORTUNE 500 FIRMS WITH HEADQUARTERS IN DALLAS/FORT WORTH**

Affiliated Computer Services	Energy Transfer Partners
AMR/American Airlines	ExxonMobil
Atmos Energy	Fluor
Blockbuster	JCPenney
BNSF Railway	Kimberly-Clark
Celanese	RadioShack
Centex	Southwest Airlines
Commercial Metals	Tenet Healthcare
Dean Foods	Texas Instruments
D.R. Horton	Triad Hospitals
Electronic Data Systems	TXU



**DALLAS/FORT WORTH  
HIGH TECH INDUSTRY**

**THE SECOND LARGEST HIGH TECH CENTER IN THE NATION**

Texas employs more than 435,446 technology-related personnel. According to Cyberstates 2006, Texas is the second largest high-tech employer in the United States and third in venture capital investments. The region is also a major U.S. telecommunications hub with the second-highest concentration of telecommunications manufacturing employment in the nation.

**LEADING THE WAY IN TELECOMMUNICATIONS**

The Metroplex hosts thriving “clusters” of companies in telecommunications, computer services, semiconductor manufacturing, wireless technology, hardware distribution and software development. The synergy created allows business clusters to develop their own unique set of competitive advantages. In fact, the Dallas INFOMART is the nation’s first business technology market center.

**LOGISTICS IS BECOMING INCREASINGLY DEPENDENT ON TECHNOLOGY**

Increasingly, efficient logistics operations depend on access to high quality/high capacity data communications networks and other technology. As one of the nation’s premier centers for telecommunications and technology, the D/FW Metroplex has the infrastructure to support a wide variety of communications and other technical needs.

**THE DALLAS/FORT WORTH RADIO FREQUENCY IDENTIFICATION (RFID) INDUSTRY**

The Dallas/Fort Worth supports a growing RFID industry that envelopes virtually every phase of operation, making the region one of the largest concentrations of RFID knowledge in the world. More than 100 companies deliver the entire RFID value chain from chips, tags, hardware and software, through service providers such as implementers, integrators and logistics specialists to manufacturers, distribution centers, retailers and other end users. The research, development and implementation of RFID applications for business are the reasons that D/FW is becoming internationally known as the “RFID HUB.”

**THE LARGEST SUPPLY CHAIN,  
ENGINEERING, AND LOGISTICS  
EDUCATION CENTER IN THE SOUTHWEST**



Companies that have a large logistics component also have a critical need for highly skilled workers and continuing education. North Texas boasts more than 25 highly respected colleges, universities and technical schools and is also home to one of the nation's premier distance learning networks operated by the Alliance for Higher Education.

**UNIVERSITY OF TEXAS AT ARLINGTON (UTA) - DESIGNED TO DEVELOP THE FUTURE OF LOGISTICS**

The University of Texas at Arlington's programs are designed to meet an increasing state, national and international demand for professionals with technical or business education and experience in the area of logistics and supply chain. The Master of Science in Logistics program is aimed at the working professional with technical experience and undergraduate degrees in engineering, mathematics or business. This program provides a unique combination of technical and business knowledge and skills to the interdisciplinary field of logistics. The integration of engineering and business content is done in a fashion that prepares an experienced professional engineer or manager for a leadership role in planning, developing, implementing and managing the firm's logistics and supply chain capabilities in the global marketplace. In addition, there is the Master of Science in Industrial Engineering with a logistics focus for more technical professionals with engineering backgrounds. The overall purpose of the Logistics Programs at UTA is to provide graduates with the understanding needed to design and manage the firm's logistics and supply chain systems and infrastructure and to accomplish the organization's operational, strategic and competitive objectives. For more information on the programs at UTA, please visit <http://ie.uta.edu>.

**TEXAS CHRISTIAN UNIVERSITY (TCU) - DEVELOPING FUTURE SUPPLY CHAIN LEADERS**

Recognizing the importance of supply chain and logistics professionals to the Dallas/Fort Worth business community, TCU's Neeley School of Business established the Supply Chain and Value Center (SVCC) in 2001 and the Department of Information Systems and Supply Chain Management in 2003. The SVCC worked closely with the business community and TCU faculty to develop MBA and undergraduate curriculums designed to provide graduates with a global perspective and the combination of technical, relationship management, communication and leadership skills required for tomorrow's supply chain leaders. MBA students can earn a Certificate in Supply and Value Chain Management through the SVCC and undergraduates can obtain a major in Supply and Value Chain Management. TCU students demonstrated the quality of their educational experience by winning the national title in their



first national case competition against well-established and nationally-ranked supply chain programs in other universities and are recruited by many Fortune 500 companies. For more information about the SVCC and/or the supply and value chain management programs at the Neeley School, please visit [www.svcc.tcu.edu](http://www.svcc.tcu.edu).

## UNIVERSITY OF NORTH TEXAS (UNT) - CENTER FOR LOGISTICS EDUCATION

The University of North Texas offers an extensive range of logistics and supply chain management programs. Over 100 logistics students graduate each year from UNT. Graduates have been placed in over 200 companies in the region alone. Four national championships and a required internship have enabled a 100 percent placement for UNT graduates. Graduate students can pursue a logistics and supply chain concentration within the Masters of Business Administration. All graduates qualify for a professional certification in transportation and logistics from AST&L. The Center for Logistics Education and Research conducts ongoing research on transportation and logistics issues, and the Center offers a variety of seminars and programs targeted at meeting the continuing education needs of logistics executives. For additional information on the University of North Texas logistics program, please visit the Web site at [www.logistics.unt.edu](http://www.logistics.unt.edu).

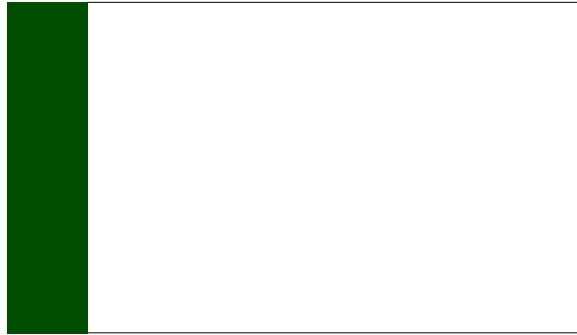
### HIGHER EDUCATION INSTITUTIONS IN THE DALLAS/FORT WORTH METROPLEX

Baylor College of Dentistry  
Collin County Community College District (5)\*  
Dallas Baptist University  
**Dallas County Community College District (9)\***  
DeVry University  
Paul Quinn College  
Southern Methodist University  
**Tarrant County College District (4)\***  
**Texas A&M University Commerce**  
**Texas Christian University**  
Texas Wesleyan University  
Texas Women's University  
**The University of Texas at Arlington**  
**The University of Texas at Dallas**  
The University of Texas Southwestern Medical Center at Dallas  
**University of North Texas**  
University of North Texas Health Science Center at Fort Worth

*\* Number of campuses*

Bolded institutions offer a strong logistics and supply chain educational programs.

**NOT JUST AN OUTSTANDING SUPPLY  
CHAIN AND LOGISTICS CENTER,  
BUT A GREAT PLACE TO LIVE**



*Amerquest Field at Arlington*

The Dallas/Fort Worth Metroplex is a great place to live as well as work. In comparison to other areas of the nation, the Metroplex enjoys affordable home prices, reasonable commute times and a varied range of community lifestyles.

The region's temperate climate encourages year-round outdoor activities such as cycling, tennis, golfing on the area's 172 public and private courses, or fishing and boating on the region's 12 major lakes. Throughout the D/FW Metroplex, you will find more than 400 public parks. The Metroplex is home to five professional sports teams, NASCAR and the Indy racing at the Texas Motor Speedway and horse racing at the Lone Star Park in Grand Prairie. World renowned museums such as the Kimbell, Amon Carter Museum, Modern Art Museum of Fort Worth and Dallas Museum of Art and performing arts venues such as the Morton H. Meyerson Symphony Center and the Bass Performance Hall blend with a rich western heritage offering a cultural diversity that is uniquely Texas. Fair Park, just southeast of downtown Dallas, is the site of the State Fair of Texas, the largest annual state fair in the United States and home to a variety of museums and theaters. The Metroplex also boasts more restaurants and shopping centers per capita than any region in the country.

<b>D/FW METROPLEX SPORTS VENUES:</b>	<b>D/FW PRO TEAMS:</b>
American Airlines Center Amerquest Field in Arlington Cotton Bowl Frisco Stadium Lone Star Park Texas Motor Speedway Texas Stadium	NFL Dallas Cowboys MLB Texas Rangers NHL Dallas Stars NBA Dallas Mavericks NSL FC Dallas Soccer

## DALLAS/FORT WORTH FAST FACTS

### BEST STATES FOR BUSINESS

- |                          |                     |
|--------------------------|---------------------|
| 1. <i>Texas</i>          | 6. <i>Arizona</i>   |
| 2. <i>Nevada</i>         | 7. <i>Virginia</i>  |
| 3. <i>North Carolina</i> | 8. <i>Illinois</i>  |
| 4. <i>Florida</i>        | 9. <i>Indiana</i>   |
| 5. <i>Georgia</i>        | 10. <i>Colorado</i> |

source: *Chief Executive*, January 2006

### TOP METROS FOR BUSINESS EXPANSION & RELOCATION

1. *Chicago-Naperville-Joliet, IL-IN-WI*
2. ***Dallas/Fort Worth, TX***
3. *Houston-Baytown-Sugar Land, TX*
4. *Detroit-Warren-Livonia, MI*
5. *Atlanta-Sandy Springs-Marietta, GA*
6. *Cincinnati-Middletown, OH-KY-IN*
7. *New York, Newark-Edison, NY-NJ*
8. *Cleveland-Elyria-Mentor, OH*
9. *Charlotte-Gastonia-Concord, NC-SC*
10. *Minneapolis-St. Paul-Bloomington, MI-WI*

source: *Site Selection*, March 2006

### TOP GROSS DOMESTIC PRODUCT BY U.S. METRO AREA

1. *New York-N. New Jersey-Long Island, NY-NJ-PA*
2. *Los Angeles-Long Beach-Santa Ana, CA*
3. *Chicago-Naperville-Joliet, IL-IN-WI*
4. *Washington-Arlington-Alexandria, DC-VA-MD-WV*
5. ***Dallas/Fort Worth, TX***
6. *Philadelphia-Camden-Wilmington, PA-NJ-DE-MD*
7. *Boston-Cambridge-Quincy, MA-NH*
8. *Houston-Sugar Land-Baytown, TX*
9. *San Francisco-Oakland-Fremont, CA*
10. *Atlanta-Sandy Springs-Marietta, GA*

source: *Global Insight*, January 2006

### TOP CARGO AIRPORTS IN NORTH AMERICA

1. ***Dallas/Fort Worth, DFW***
2. *Atlanta, ATL*
3. *Newark, EWR*
4. *San Francisco, SFO*
5. *Oakland, OAK*
6. *Toronto, YYZ*
7. *Philadelphia, PHL*
8. *Ontario (CA), ONT*

source: *Air Cargo World*, March 2006

### "BEYOND THE VALLEY" 10 PROSPEROUS U.S. STATES FOR TECH

- |                         |                      |
|-------------------------|----------------------|
| 1. <i>California</i>    | 6. <i>Arizona</i>    |
| 2. <i>Texas</i>         | 7. <i>Minnesota</i>  |
| 3. <i>Florida</i>       | 8. <i>Illinois</i>   |
| 4. <i>New York</i>      | 9. <i>Oregon</i>     |
| 5. <i>Massachusetts</i> | 10. <i>Tennessee</i> |

source: *EWEEK*, June 2006

### NOW MORE THAN EVER, D/FW IS CENTRAL TO YOUR SUPPLY CHAIN AND LOGISTICS SUCCESS

- ◆ *A GREAT location.*
- ◆ *Low-cost warehousing and distribution.*
- ◆ *An excellent transportation network.*
- ◆ *A full range of logistics support resources.*
- ◆ *An ideal environment for business.*
- ◆ *An abundance of technology resources.*
- ◆ *An exceptional quality of life.*
- ◆ *Access to logistics education programs.*



NORTH TEXAS COMMISSION

8445 Freeport Parkway ❖ Irving, Texas 75063

Mailing Address: P.O. Box 610246 ❖ DFW Airport, Texas 75261

972.621.0400 ❖ [www.ntc-dfw.org](http://www.ntc-dfw.org)